

Message Text

CONFIDENTIAL

PAGE 01 TRIPOL 00459 281538Z

ACTION EB-08

INFO OCT-01 NEA-10 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00

COME-00 DODE-00 DOE-15 H-01 INR-10 INT-05 L-03

NSAE-00 NSC-05 OMB-01 PM-05 USIA-06 OES-07 SP-02

SS-15 STR-07 TRSE-00 ACDA-12 /121 W

-----013305 281552Z /43

R 281340Z MAR 78

FM AMEMBASSY TRIPOLI

TO SECSTATE WASHDC 5314

INFO AMEMBASSY ALGIERS

C O N F I D E N T I A L TRIPOLI 0459

E.O. 11652: GDS

TAGS: ENRG, LY

SUBJECT: ACCEPTANCE PROCEDURE FOR CRUDE OIL FOR SPR

REF: STATE 070969

BEGIN SUMMARY: WE EXAMINE BELOW POSSIBLE ALTERNATIVES FOR INSPECTION IN LIBYA BY DOD PERSONNEL OF CARGOES OF CRUDE OIL WHICH MIGHT BE ACQUIRED FOR THE U.S. STRATEGIC PETROLEUM RESERVE (SPR). WHILE WE DO NOT KNOW FOR SURE AT THIS POINT, BELIEVE IT POSSIBLE LIBYANS WOULD ADMIT DOD EMPLOYEES ON TOURIST PASSPORTS UNDER OIL COMPANY SPONSORSHIP. END SUMMARY.

1. WHILE FREQUENT VISITS BY IDENTIFIED DOD PERSONNEL TO SENSITIVE OIL TERMINALS MIGHT NOT BE WELCOMED, THEY MIGHT NEVERTHELESS BE ACCEPTED IN THE INTEREST OF MOVING A LARGER VOLUME OF LIBYAN OIL WHICH HAS RECENTLY BEEN REDUCED BECAUSE OF MARKET CONDITIONS. WE WILL NOT KNOW FOR SURE UNTIL WE ASK, OR TRY OUT A CASE. LOCAL AMERICAN HEAD OF ONE OIL COMPANY INTERESTED IN SPR SALES TELLS US HE HAS ORALLY INFORMED COMPANY'S LIBYAN CHAIRMAN AND CHAIRMAN OF NATIONAL OIL COMPANY (NOC) OF POSSIBLE SALE TO SPR AND OF NEED TO BRING IN USG INSPECTORS IF SALE GOES
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TRIPOL 00459 281538Z

THROUGH. BOTH OFFICIALS ENCOURAGED THE TRANSACTION AND HEAD OF NOC REPORTEDLY SAID "WE WILL TRY TO WORK IT OUT" IN REFERENCE TO INSPECTOR PROBLEM. WE WERE ALSO INFORMED A COUPLE OF MONTHS AGO BY OIL DEALER AND FORMER ASTRONAUT GENE CERNAN THAT OFFICIAL OF BREGA MARKETING COMPANY, A DIVISION OF NOC, HAD SAID NOC WOULD NOT OBJECT TO SALE OF ITS OWN OIL FOR SPR.

THESE MEN ARE OF COURSE MAINLY INTERESTED IN MOVING OIL, AND THERE MIGHT BE DIFFERENT VIEWS AT HIGHER LEVELS. WE NOTE THAT EMBASSY OFFICERS ARE ALLOWED TO VISIT OIL TERMINALS AFTER RECEIVING FORMAL AUTHORIZATION OF FOREIGN AND INTERIOR MINISTRIES. AS REQUESTED PARA SIX REFTEL, OUR COMMENTS FOLLOW ON FEASIBILITY OF TWO MODES OF ACCESS BY DOD PERSONNEL.

2. ARRIVAL BY TANKER. ACCORDING TO OIL COMPANY SOURCES, PERSONNEL ABOARD TANKERS NORMALLY DO NOT HAVE LIBYAN VISAS AND MAY NOT LAND. LIBYAN CUSTOMS AND IMMIGRATION BOARD TANKERS TO REVIEW SHIP'S AND CREW PAPERS. PERSON OUTFITTED WITH LIBYAN VISA COULD PRESUMABLY LAND AFTER OIL COMPANY HAS OBTAINED PERMISSION FROM MINISTRY OF INTERIOR FOR HIM TO ENTER OIL TERMINAL FACILITY, I.E., SAME OFFICIAL REQUIREMENTS WOULD HAVE TO BE MET AS IN CASE OF ARRIVAL BY AIR. THUS IF INSPECTOR COULD COMPLETE HIS BUSINESS WITHOUT COMING ASHORE, ARRIVAL BY TANKER APPEARS FEASIBLE. NOT CLEAR FROM REFTEL WHETHER BUSINESS CAN BE CONDUCTED WITHOUT COMING ASHORE, AND THOSE CONSULTED HERE DOUBT THAT IT COULD. IF QUANTITY CONTROL COULD BE HANDLED ABOARD TANKER, QUALITY CONTROL ASHORE MIGHT BE LEFT TO COMMERCIAL INSPECTORS WHO REGULARLY PERFORM BOTH QUANTITY AND QUALITY CONTROLS IN LIBYAN TERMINALS.

3. ARRIVAL BY AIR.
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 TRIPOL 00459 281538Z

A) UNDER OIL COMPANY SPONSORSHIP. BASIC PROBLEM WILL BE LIBYAN VISA. WE UNDERSTAND BUSINESS VISITORS MUST DOCUMENT THEIR PURPOSE IN COMING TO LIBYA AND STATE NAME OF EMPLOYER INTER ALIA. POSSIBLE THAT VISA MIGHT BE ISSUED TO BEARER OF TOURIST PASSPORT WITHOUT IDENTIFICATION OF EMPLOYER ON BASIS OF LETTER FROM SPONSORING OIL COMPANY STATING THAT VISITOR IS COMING TO PERFORM TEMPORARY INSPECTION SERVICES IN CONNECTION WITH COMPANY SALE OF CRUDE OIL. IF LIBYAN EMBASSY DEMANDS NAME OF EMPLOYER, PRESUMABLY APPLICANT WOULD GIVE IT AND SEE WHAT HAPPENS NEXT. IF VISA NOT ISSUED, OIL COMPANY COULD TAKE UP MATTER IN TRIPOLI. OIL COMPANY WOULD ALSO ARRANGE INSTLLATION PASS FROM MINISTRY OF INTERIOR AND TRANSPORT FROM TRIPOLI OR BENGHAZI TO OIL TERMINAL. FEASIBILITY OF THIS ALTERNATIVE WOULD HAVE TO BE TESTED IN PRACTICE OR NEGOTIATED IN ADVANCE WITH LIBYAN GOVERNMENT. WE BELIEVE IT COULD BE WORKED OUT, PARTICULARLY IF RESPONSIBILITY IS PUT ON OIL COMPANY AS CONDITION OF THE CONTRACT.

B) UNDER EMBASSY SPONSORSHIP. IT HAS APPARENTLY OCCURRED TO ONE OIL COMPANY THAT MOST CONVENIENT ARRANGEMENT

WOULD BE FOR INSPECTORS TO ARRIVE UNDER EMBASSY AUSPICES.
PRESUMABLY THIS WOULD REQUIRE SEEKING VISAS ON OFFICIAL OR
TOURIST PASSPORTS ON BASIS OF U.S. EMBASSY NOTES,
SPECIFYING TEMPORARY DUTY WITH EMBASSY TRIPOLI. UPON
ARRIVAL, VISITOR WOULD PRESUMABLY BE CONSIDERED TEMPORARY
MEMBER OF EMBASSY STAFF AND EMBASSY WOULD HAVE TO APPLY
BY NOTE TO FOREIGN OFFICE FOR MINISTRY OF INTERIOR PERMIT
TO VISIT OIL TERMINALS. SINCE THERE IS NO TIME CONTROL
ON RESPONSES TO EMBASSY NOTES, THIS PROCEDURE WOULD BE
AWKWARD IN TERMS OF TIMING AS WELL AS CONSTITUTING ADDED
BURDEN ON EMBASSY'S LIMITED ADMINISTRATIVE RESOURCES FOR
MEETING, CHAUFFEURING, ROOM RESERVATIONS, NOTE PREPARATION,
ETC. THIS DOES NOT APPEAR A VERY FEASIBLE ALTERNATIVE
UNLESS TANKERS HAVE PLENTY OF TIME.
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 TRIPOL 00459 281538Z

CARLE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, PROCUREMENT, PETROLEUM RESERVES
Control Number: n/a
Copy: SINGLE
Draft Date: 28 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978TRIPOL00459
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780134-0910
Format: TEL
From: TRIPOLI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780316/aaaaanpi.tel
Line Count: 137
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 152dfebb-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 STATE 70969
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3177266
Secure: OPEN
Status: NATIVE
Subject: ACCEPTANCE PROCEDURE FOR CRUDE OIL FOR SPR
TAGS: ENRG, LY
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/152dfebb-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014